

Regular Council

February 14, 2008

Presiding Officer, Mayor Donald Kuchta called the February 14 regular meeting of Macedonia City Council to order at 7:35m.

Present: Council members' Shane Barker, David Engle, Kenneth Martin, Nicholas Molnar, Peggy Spraggins and Janet Tulley; Law Director Joseph W. Diemert, Jr., and Council Clerk Josephine Arceci
Absent: None

PLEDGE OF ALLEGIANCE led by Summit County Council President Nick Kostandaras was followed by an invocation by Mr. Martin.

MINUTES Mr. Engle moved, Mr. Barker seconded, to approve the minutes of the regular meetings relative to January 10 and January 24, 2008, as submitted by the clerk of council.

Roll call: Ayes: Barker, Engle, Martin, Molnar, Spraggins, Tulley
Nays: None
The motion carried

INTRODUCTION, READINGS & ADOPTION OF LEGISLATION

ORD. NO. 2-2008

Mrs. Tulley moved, Mr. Barker seconded for **ORD. NO. 2-2008: AN ORDINANCE PROVIDING FOR THE 2008 ANNUAL APPROPRIATIONS, AND DECLARING AN EMERGENCY to remain at its second reading.** (First reading, January 10, 2008)

Roll call: Ayes: Barker, Engle, Martin, Molnar, Spraggins, Tulley
Nays: None
The motion carried

ORD. NO. 5-2008

AN EMERGENCY ORDINANCE AUTHORIZING AN AGREEMENT BETWEEN THE CITY OF TWINSBURG AND THE CITY OF MACEDONIA FOR THE IMPROVEMENT OF SHEPARD ROAD BY CONSTRUCTING A SANITARY SEWER ALONG SHEPARD ROAD AND FLORENCE DRIVE was **offered** by Mrs. Spraggins and moved Council to waive the requirement that it be read by title on three different days, instructing the Clerk to read it by **title only for its second and third reading readings.** Second by Mr. Engle.

Roll call: Ayes: Barker, Engle, Martin, Molnar, Spraggins, Tulley
Nays: None
The motion carried

Mrs. Spraggins moved, Mr. Engle seconded, to **adopt ORD. NO. 5-2008**, and post same according to law.

Roll call: Ayes: Barker, Engle, Martin, Molnar, Spraggins, Tulley
Nays: None
The motion carried, **ORD. NO. 5-2008 adopted**

ORD. NO. 10 -2008

AN EMERGENCY ORDINANCE AMENDING CODIFIED ORDINANCE SECTION 121.02(p) APPOINTMENT PROCESS FOR THE STANDING COMMITTEES OF COUNCIL was **offered** by Mrs. Spraggins and moved Council to waive the requirement that it be read by title on three different days, instructing the Clerk to read it by **title only for its second and third reading readings.** Second by Mr. Martin.

Roll call: Ayes: Barker, Engle, Martin, Molnar, Spraggins, Tulley
Nays: None
The motion carried

Mrs. Spraggins moved, Mr. Engle seconded, to **amend ORD. NO. 10-2008**, as follows:

- ~~Delete from Section 1, #8- ~~Civil Defense~~ and repeal Ordinance No. 17-1964
- ~~Delete from Section 1, the following "~~Each committee shall be comprised of Council of the WHOLE~~" and "~~Three members of Council shall constitute a quorum in order to conduct committee business but a lesser number may adjourn.~~"
- ~~Add to Section 1, New #8- Drainage and Sewer Control Committee
- ~~Add to Section 1, New #9- Cemetery Board
- ~~Add to Section 1, New #10- Firemen's Dependency Board
- ~~Add to Section 1, New sentence reading "That this ordinance applies to representatives to committees

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appointed by Council and not to representatives to committees appointed by the Mayor.”

Roll call: Ayes: Barker, Engle, Martin, Molnar, Spraggins, Tulley
Nays: None
The motion carried.

Mrs. Spraggins moved, Mr. Martin seconded, to **adopt ORD. NO. 10-2008, as amended** and post same according to law.

Roll call: Ayes: Barker, Engle, Martin, Molnar, Spraggins, Tulley
Nays: None
The motion carried. **ORD. NO. 10-2008, adopted, as amended.**

Relative to ORD. NO. 10-2008, Council President Engle explained that Council had agreed during work session that committee assignments established last year would remain the same. One exception however is that Mr. Molnar would replace positions previously held by Mr. Miller. The other exceptions Mr. Engle stated are the contested positions for chair of the finance committee and Macedonia's representative to the Cemetery Board.

Election of Chair to Finance Committee

Mr. Engle moved, Mr. Martin seconded to nominate Mrs. Spraggins chair of Finance Committee.

Mr. Barker moved, Mrs. Tulley seconded, to nominate Mrs. Tulley as chair.
There being no further nominations, nominations were closed.

Roll call on Mr. Engle's motion: Ayes: Engle, Martin, Molnar, Spraggins
Nays: Barker, Tulley
The motion carried. Mrs. Spraggins elected chair of Finance Committee for 2008

Relative to the Mrs. Tulley's nomination Mr. Barker stated Mrs. Tulley's should have continued as finance chair because of her excellent leadership and management skills.

Council President Engle agreed that Mrs. Tulley provided excellent leadership but felt Mrs. Spraggins brings a different perspective.

Councilor Martin interjected that Mrs. Spraggins is better equipped to handle Macedonia's fiscal obligations given the City's current financial situation. Mrs. Spraggins has a Masters degree in Public Administration and is currently the administrator for Copley Township. She therefore has the skills and education for this position he added.

Mayor Kuchta felt it disadvantageous to change leadership midstream given the enormity of the some of Macedonia's financial commitments. Mrs. Tulley is an astute individual who has always been committed to keeping Macedonia on solid financial footing. In a conversation with Mrs. Spraggins relative to committee assignments the mayor said Mrs. Spraggins told him she didn't care if Mrs. Tulley continued as chair as long as the mayor was willing to give up mayoral control of assignments, and, as long as he did not oppose Mrs. Spraggins' amendment relative to council committees.

Mrs. Spraggins denied ever made that statement to the mayor.

Councilor Tulley interjected that her capabilities nor her leadership have ever been challenged. She thanked Mr. Engle for his comments and applauded Mrs. Spraggins on her level of education. However, she stated "book smarts" should never be the first attribute considered and is certainly not an indicator of a person's competency. Mrs. Tulley feels her 35-year experience of actually managing budgets and handling customer service make her the better person for the position. During her years as finance chair information was always forthcoming and forthright she said, and, unlike when Mrs. Spraggins was finance chair, there has never been a shortfall discovered after the budget was adopted.

Mrs. Spraggins told Mrs. Tulley her statements were untrue. This Council Mrs. Spraggins stated was informed on January 29 that the administration learned last November that the City was going to be responsible for more funding for the SR82 project.

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Mayor Kuchta refuted Mrs. Spraggins statement. The mayor showed a photo taken November 28, 2007 of himself and Engineer Fred Tufts signing the last set of documents relative to the SR82 project. These documents the mayor stated were forwarded to ODOT the second week of December so ODOT could prepare final costs. The City did not know at that time as Mrs. Spraggins states that Macedonia's share would be more. Council was apprised of the difference on January 29, the same day the administration learned of it.

Councilor Spraggins asked Council if they did not hear Mr. Brunot say the administration was told November 2 that more money was needed.

Mr. Brunot told Mrs. Spraggins Council was not misled about the November 2 meeting. He was as surprised as anyone with the final numbers. They were totally unexpected he added. Mr. Brunot explained that the meeting on the 2nd wasn't any different than any of the other many meetings held between the City and ODOT over the life of this project. At that particular meeting the City reviewed various project costs. During the review the City identified several duplicate costs and asked ODOT to make the necessary adjustments. Mr. Brunot reiterated that the administration did not receive final costs until January 29, the same day the finance meeting was scheduled. Since those costs had a major impact on the City's finances and the finance report Mr. Brunot had planned to give, the finance meeting was postponed until February 7. The City needed time to find out from ODOT what changed between November and January before any further discussion could be had he said.

Council President Engle had asked Mr. Brunot to reserve his comments about SR82 until later in the meeting. Mr. Engle did not feel project costs were not relative to the question of who should be chair of the finance committee.

Election of Macedonia's Representative to Northfield-Macedonia Cemetery Board.

Mr. Engle moved, Mr. Barker seconded to nominate Mrs. Tulley Macedonia's representative.

Mrs. Spraggins moved, Mr. Molnar seconded to nominate Mr. Martin representative.

There being no further nominations, nominations were closed.

Roll call on Mr. Engle's motion: Ayes: Barker, Engle, Molnar, Tulley
 Nays: Martin, Spraggins
 The motion carried. Mrs. Tulley elected Macedonia's
 representative to the Northfield-Macedonia Cemetery Board

ORD. NO. 11-2008

AN EMERGENCY ORDINANCE ACCEPTING AND APPROVING A STANDARD EASEMENT FOR THE INSTALLATION AND MAINTENANCE OF A WATER MAIN FOR CIRCULATION PURPOSES REGARDING THE VALLEY CREEK ESTATES SUBDIVISION AND VACATING A PRE-EXISTING EASEMENT was **offered** by Mrs. Spraggins and moved Council to waive the requirement that it be read by title on three different days, instructing the Clerk to read it by **title only for all three readings**. Second by Mrs. Tulley.

Roll call: Ayes: Barker, Engle, Martin, Molnar, Spraggins, Tulley
 Nays: None
 The motion carried

Mrs. Spraggins moved, Mrs. Tulley seconded, to **adopt ORD. NO. 11-2008**, and post same according to law.

Roll call: Ayes: Barker, Engle, Martin, Molnar, Spraggins, Tulley
 Nays: None
 The motion carried, **ORD. NO. 11-2008 adopted**

ORD. NO. 12-2008

AN EMERGENCY ORDINANCE AMENDING CHAPTER 721 OF THE CODIFIED ORDINANCES OF THE CITY OF MACEDONIA REGARDING EXCESSIVE FALSE ALARMS was **offered** by Mr. Barker for its **first reading by title only**. Second not required.

ORD. NO. 13 -2008

AN ORDINANCE DETERMINING MEMBERS OF CITY COUNCIL ELIGIBLE TO PARTICIPATE IN THE CITY'S EMPLOYEE HEALTH CARE PLAN was **offered** by Mr. Martin for its **first reading by title only**. Second not required.

RES. NO. 14-2008

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A RESOLUTION CONFIRMING THE FINAL APPOINTMENT OF JOSEPH NATALI TO THE POSITION OF A FULL-TIME FIREFIGHTER was **offered** by Mr. Barker and moved Council to waive the requirement that it be read by title on three different days, instructing the Clerk to read it by **title only for all three readings**. Second by Mrs. Tulley.

Roll call: Ayes: Barker, Engle, Martin, Molnar, Spraggins, Tulley
Nays: None
The motion carried

Mr. Barker moved, Mrs. Tulley seconded, to **adopt RES. NO. 14-2008**, and post same according to law.

Roll call: Ayes: Barker, Engle, Martin, Molnar, Spraggins, Tulley
Nays: None
The motion carried, **RES. NO. 14-2008 adopted**

ORD. NO. 15 -2008

AN EMERGENCY ORDINANCE AUTHORIZING AN EXTENSION OF ONE YEAR TO THE EMERGENCY RADIO DISPATCH SERVICES BETWEEN THE CITY OF MACEDONIA AND VILLAGE OF BOSTON HEIGHTS was **offered** by Mr. Barker and moved Council to waive the requirement that it be read by title on three different days, instructing the Clerk to read it by **title only for all three readings**. Second by Mrs. Tulley.

Roll call: Ayes: Barker, Engle, Martin, Molnar, Spraggins, Tulley
Nays: None
The motion carried

Mr. Barker moved, Mrs. Tulley seconded, to **adopt ORD. NO. 15-2008**, and post same according to law.

Roll call: Ayes: Barker, Engle, Martin, Molnar, Spraggins, Tulley
Nays: None
The motion carried, **ORD. NO. 15-2008 adopted**

Relative to ORD. NO. 15-2008, Chief Golden mentioned the contract was extended and not renegotiated because Boston Heights, like so many communities has financial issues. Their immediate financial problem stems from a zoning lawsuit. The Village also faces the possibility of the state abolishing Mayor's Court, a major source of revenue for them. In consideration of their financial predicament and as good neighbors the chief said the agreement between the City and Boston Heights will remain the same. The Village will pay what they did last year, \$75,222.00.

ORD. NO. 16-2008

AN EMERGENCY ORDINANCE AUTHORIZING THE MAYOR TO MAKE APPLICATION FOR AND TO COMPLETE ALL NECESSARY DOCUMENTS TO BORROW A SUM NOT TO EXCEED 3 MILLION DOLLARS FROM THE OHIO DEPARTMENT OF TRANSPORTATION, INFRASTRUCTURE BANK TO PAY FOR CONSTRUCTION, IMPROVEMENTS AND SERVICES RELATED TO THE STATE ROUTE 82 ROAD IMPROVEMENT PROJECT WITHIN THE CITY OF MACEDONIA was **offered** by Mrs. Spraggins for its first reading by title only Second not required.

Relative to ORD. NO. 16-2008, Mayor Kuchta expressed frustration over Councils' unwillingness to act on the loan this evening. This Council had been committed to the completion of this project. Why is Council jeopardizing it now he asked? He has done and will continue to do everything in his power to secure as much funding as possible in order to lessen Macedonia's financial burden. In fact he added he has a meeting with Congressman LaTourette on May 8 for the purpose of learning how the City can get more funds from the Federal Transportation Bill for this project and as well as others. But for now the mayor stated the immediate issue is Ordinance No. 16-2008 and securing line of credit. Councils' lack of commitment seriously endangers \$3M of taxpayers dollars the City has already spent on this project. Council also endangers the \$5.5M dollar AMATS earmark and \$8.5M dollars of federal grant money both of which Macedonia taxpayers will be responsible for paying back if not used. Council is worrying about possibly having to pay \$6M but they are forgetting the almost \$14M that has been given to the City.

Councilor Spraggins interjected that there are still too many unanswered questions about the project. If the March 5 bids come in higher than expected or there are change orders, Macedonia will be responsible for these additional costs. How can the City plan financially with unknown information like this she said. How can ODOT operate like this given that fact that Macedonia was told the project was fully funded. It is unbelievable and inexcusable to Mrs. Spraggins that ODOT can expect the City to find more

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money in the eleventh hour. Mrs. Spraggins asked Finance Director Brunot to explain how he plans to structure payment of a loan of this magnitude considering the City's current debt level.

Mr. Brunot reminded Mrs. Spraggins that Bond Counsel Ernie Demanelis of Squires, Saunders and Dempsey informed Council that Macedonia has substantial debt capacity. The 2007 debt report prepared by Mr. Brunot identifies the 20-year schedule of debt service payments. The report, which he said will be updated this year is a financial tool meant to aid long range fiscal planning from an educated perspective. Excluding 2008 and depending on various funding options, Mr. Brunot believes Macedonia's debt service can be reduced over the next five years. Mr. Brunot stated that the SR82 calendar presented during work session shows that on February 11 the State Infrastructure Bank pre-approved Macedonia for a loan of up to \$3M dollars. The loan is a guarantee that funds are in the process of collection by the City and the assurance that the funds can be certified by the time the bids are opened he explained. The State of Ohio is willing to lead money to Macedonia to protect a very important state project Mr. Brunot stated. He added that no funds will be expended from the new loan at this time. Any matching payments that may be required in April will be drawn from the existing SIB loan having a balance of \$200,000. While it is true that Macedonia is responsible for 20% of the costs, a draw of \$1M dollars this early into the project is unlikely Mr. Brunot added. Mr. Brunot explained several different funding scenarios such as converting Macedonia's SIB loans to the SIB Bond Program or reapplying for a new SIB loan from a different source of state money. Whatever the scenario he added the new loan would be subject to the same provisions of the current loan. Mr. Brunot stated that he continues to confer with Mr. Demanelis and has spoken with officials of local banks, one of whom is interested in floating notes for Macedonia in an amount up to \$6M. This last proposal Mr. Brunot feels is by far the best option at this point. No payments would be due until May 2009 at which time he explained notes would be issued for another for six months. The reason he would extend the note he said is to be closer to certification of final costs. There is no need to bond out more than what is actually needed he added. This being the case, payment would not actually be due until November 2011. Mr. Brunot also suggested the City make application in June of this year to Summit County for a low interest loan. The City wouldn't learn until later in the year if it qualified for a 20-year, 0% percent loan or a 20-year, 3% percent loan but either loan Brunot stated, would dramatically help reduce Macedonia's annual debt service payments.

Councilor Engle doesn't want anyone to think that he doesn't want the bridge to be widened he said. However he is concerned about the size of the City's current debt payment and the fact the new debt payment is an unknown at this point. It is not prudent Mr. Engle feels to act upon the legislation until the City has actual dollar amounts in which to make a decision. Council is fiscally responsible for the financial health of the City he said. How can a financial decision be made without first knowing all the facts. Pushing the debt out until 2009 or 2011 only postpones the inevitable. The various scenarios sound responsible but what happens he said if the City does not receive additional grants or alternate funding.

Mr. Brunot explained to Mr. Engle that the graph supplied to Council entitled General Fund Debt Service identifies current debt service projection over a six year period. (Loan is proposed for 10-years.) The graph also identifies the level of debt that will come from the General Fund. (Attached)

Mayor Kuchta interjected that his goal since his election has been to pay down debt. That initiative will not change. Money in the amount of no less than \$250,000 has been earmarked annually for long standing debt.

Councilor Engle commended Mayor Kuchta for the job he has done to pay down debt. The new issue however is about future debt not past. Council has to be responsible about the City's ability to pay for this cost over the 10 to 20 years.

Councilor Spraggins said there are too many variables and not enough time to expect Council to make a decision this evening on this issue given the magnitude of the project. Last year Council supported the project based on the information it had. New information and cost changes seriously affect Council's final decision she said. Council has asked that an ODOT official attend a meeting to explain first hand why the City was told the project was fully funded and now its not and why project costs have increased so dramatically. It is Mrs. Spraggins opinion that Council make no commitment until they have an opportunity to speak directly to an ODOT official and until the bids are opened.

Councilor Barker interjected that Council does not have the luxury to wait until after the bids are opened. A financial commitment has to be made now. Council cannot now waiver on this issue. Mr. Barker asked Mr. Tufts if there are other options to which Mr. Tufts answered that there are not. Mr. Tufts explained that if funding is no certified by February 19 the bids that are opened on March 6 will be filed. Once funds are certified, the project and bids will be reevaluated and any inflationary costs from the date

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of the bid opening will be borne by the City.

Councilor Spraggins asked Mr. Tufts if there is a cap on the project to which Mr. Tufts answered there is not. In his 30-year career he has never seen construction costs capped for the reason that there are contingencies. This project Mr. Tufts told Mrs. Spraggins will only be capped when the job is done. In 1998 this project was estimated to cost \$3.4M. Staggering cost increases over the last ten years have been caused by inflation. The City cannot afford to wait any longer he said. Over the last two-years ODOT has experienced a 27% inflation rate. It is ODOT's standard operating procedure he explained to estimate projects high to account for inflationary trends. Mrs. Spraggins questioned why the funding for SR82 is different than the SR8/IS271 project to which Mr. Tufts answered because Macedonia is the sponsor of SR82. The City is not the sponsor of SR8/IS271 project. Funding earmarks for that project are coming from different sources. Macedonia however sponsored the Highland Road upgrade at a cost of \$1.4M dollars. The upgrade was tagged onto the SR82/IS271 project he added. Councilor Spraggins stated again that it is unreasonable to commit to this project without knowing construction costs.

Mayor Kuchta interjected that Council fails to remember that if this project is stopped Macedonia taxpayers will be financially responsible for the \$13.7M dollar federal and state earmark.

Councilor Engle reiterated that he didn't want to stop the project. However the only logical way for him to proceed is to first develop a payment plan so as the City is not crippled financially. Find money this year to pay on principle and he'll support the project he said.

Mr. Brunot interjected, this is a frustrating situation because while the City is the project sponsor ODOT has total control of the project. ODOT is in the driver's seat. There is no flexibility. What is important to keep in mind Mr. Brunot stated is that here are two major purposes of government: Providing public safety and public infrastructure. Borrowing money as Macedonia has had to do to improve public infrastructure is basic tax law equity. This is a large sum of money being discussed he added. But this administration has done and continues to do everything it can to see to this project through fruition while at the same time keeping the City financially whole.

Councilor Engle responded that having equity still requires a plan for payment. Residents deserve no less because \$6M is a substantial sum he said. It is all well and good, he added, that payments do not have to be made for the next several years but it is not financially prudent to put the payments off. Councilor Engle reiterated that he would like to see debt payments relative to this project be included in this year's budget and every subsequent year thereafter.

Law Director Diemert interjected there are two issues: Council's reasonable fear of an unknown debt level and the administration's equally reasonable logic of applying for an equity line of credit, a.k.a. the SIB loan in order to fulfill its obligation to ODOT. This type of line of credit is not unlike a charge card Mr. Diemert stated. Debt is not accrued until the card is used. The same will hold true with the SIB loan. Mr. Diemert suggested that a proviso be attached to the ordinance which would state no portion of the loan could be dispersed without further councilmatic action.

Councilor Spraggins stated the 2008 budget has an unencumbered balance of just \$15,000. Also, no funds have been allocated this year to the emergency fund. It is not unreasonable she stated to wait until the bids are opened before making a decision about the loan knowing how tight this year's budget is she said. Mrs. Spraggins asked again that a meeting be scheduled with an ODOT official.

Mayor Kuchta said Council has had several opportunities to question every aspect of the project. Additionally, Mr. Tufts provides updated information about the project at every regular council meeting.

Mr. Brunot told Council that this administration has provided Council with more financial information than any other. Council has been provided a Five-Year Plan that is updated annually, it has been provided an annual debt management plan and it has been provided a financial perspective from the City's bond counsel. Macedonia debt level is not unreasonably high Mr. Brunot stated. Unfortunately some of the debt that has been issued over the years has been for non infrastructure projects he added.

Mr. Brunot told Mrs. Spraggins she is negatively misrepresenting the budget. While it is true that the ending balance relative to the General Fund is projected to be just \$16,822.00, there is \$400,000 in the emergency fund which was not there prior to this administration he said. Other funds will end as follows: the Street Construction Repair Fund- \$6800; the State Highway Improvement Fund -\$51,000; the Parks & Recreation Fund \$144,000; the Water Maintenance & Expansion Fund \$111,000; the Fire Operating Fund- \$25,000; the Vehicle License Tax Fund -\$1700, the Police Pension Fund \$24,000; the

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JEDD Fund-\$111,000; the Drug Law Enforcement Fund-\$9500; the Law Enforcement Education Fund-\$200; the CDBG Fund -\$2300; the DARE Program Fund \$1,500;the FAIR Program Fund- \$12,000; the Capital Improvement Fund-\$11,500; the Subdivision Tree Planting Fund-\$44,000; the Wireless 911 Fund-\$20,000 and the Mayor's Court Fund-\$6,000. These balances mean Mr. Brunot stated that the City is healthier than Mrs. Spraggins implies. Unfortunately fund accounting doesn't permit moving these dollars around. However while these funds cannot be moved around less funds can be transferred from the General Fund into those fund supported by the General Fund. From day one Mr. Brunot stated this administration has conscientiously set a fiscal plan of action to motion to ensure Macedonia's future financial health. This administration was strapped with debt it did not accrue an example of which is a 1997 road note still on the books.

Councilor Engle explained to Mr. Brunot that Council is so cautious because of past financial mistakes.

Councilor Martin stated he didn't understand Mr. Engle's reluctance given the financial commitment this Council has made to the project. Why this issue is be debated now he asked? This Council has known from the beginning that there was no cap on the project and to now be surprised by the new dollar amount and the need for additional financing confuses Mr. Martin. This Council has continued to move forward knowing the importance of this project to the community and Macedonia's future. Council set a course that must be followed. Council needs to keep its commitment and allow what it promised would happen, happen he added.

Councilor Engle answered his reluctance is not knowing how \$6M is going to be paid. Mr. Engle doesn't want current or future taxpayers to be penalized by a tax increase if this debt becomes a burden. At this point the administration's only plan he said is that the City may get lucky.

Councilor Tulley thought Mr. Engle made an excellent point. Last year Council held capital expenses in abeyance until mid year until it knew what funding if any needed to be allocated to SR82. It would have been highly irresponsible of Council to respond in any other way. But the fact is this project is down to the wire. ODOT holds the reins of this project, not Macedonia. The City must guarantee funds by a specific date otherwise the project will be postponed. Postponement equals escalating costs for which the City will be responsible. The SIB loan is a line a credit that if not used becomes meaningless. The substantial earmarks the City has already received will be the taxpayers responsibility if the job is not completed she said. She suggested action and hold capital purchases and hiring for 2008 until the City knows how much SR82 is going to cost.

Councilor Engle feels its better to set a course of action, to develop a plan before approving the loan. He agreed though that capital and hiring should be held.

Councilor Barker agreed in part with Mr. Engle. Mr. Barker thought capital purchases and hiring should be postponed like they were last year but thought Council needed to act upon Ordinance No 16-2008 this evening given the magnitude of the project.

Councilor Spraggins interjected that Macedonia is a small community with a limited budget. She asked her fellow council members when and who decides that the City cannot afford this project. When is enough, enough she asked.

Mayor Kuchta reminded Mrs. Spraggins of the \$13.7M dollar earmark to this project. Is Council willing to turn their backs on that he asked? Where is the confidence in the administration that has taken a sinking ship and turn it around he asked. He continues to diligently work towards finding more funding and yet Council continues to challenge his accountability he said. If not for this administration he added this project would still be years off.

Mr. Diemert reminded Council that they entered into a legal commitment with ODOT pursuant to Ordinance No. 10-2004. Terminating that agreement will have serious legal ramifications. Mr. Diemert explained that all ODOT has requested is proof by February 19 that the City is capable of paying its share of the costs. This line a credit, this guarantee is the proof the City needs. Putting the importance of this project into perspective Mr. Diemert stated, if the state is willing to lend the City funds for a state project, the City should be willing to the same.

Summit County Council President Nick Kostandaras informed Council that as soon as Mayor Kuchta learned of the cost increase he immediately called ODOT official Eric Czetli, County Executive Russ Pry, Mr. Kostandaras and SIB officials. There was a hope on the Mayor's part Mr. Kostandaras stated that the City could acquire a letter of credit from the County. The mayor also hoped the County could use its unencumbered or raining day fund to lend money to Macedonia because of its immediate situation. Unfortunately, Mr. Kostandaras stated, there is no mechanism in place in the County which allows the use

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of these monies or a letter of credit. But as a result of Mayor Kuchta's inquiry, Mr. Kostandaras stated that Mr. Pry, the prosecutor's office and the Department of Economic Development are examining the potential for one. Finding a solution at the County level will not come fast enough for Macedonia. Mr. Kostandaras had with him the debt service of Summit County's eleven cities. Comparatively speaking he said, Macedonia's debt service and its ability to pay is good. Ordinance No. 16-2008 Mr. Kostandaras reminded Council is a Declaration of Intent, a line of credit, used only if needed. Mr. Kostandaras assured Mr. Engle that his concerns are understood. However, everyone is forgetting that the mayor was instrumental to getting the newest sum of \$4.8M down to \$4.2M and he still continues to look for additional funding. This bridge is a major project not just for Macedonia Mr. Kostandaras said but for the County as well. Time is of the essence. Council is quibbling over \$5-6M dollars it may never have to use. The real issue Council should be considering is the loss of \$13.7M dollars.

Councilor Spraggins asked Mr. Kostandaras when will the City know if the County can help to which Mr. Kostandaras answered it will not be before February 19. He reiterated that there is currently no mechanism to allow the County to provide a letter of credit or lend money from its unencumbered or rainy day funds. There may potential for it in the future based on Mayor Kuchta's inquiries, but presently there is nothing the County can do he added.

Councilor Tulley interjected that even if the County could provide a letter of credit, it would be the same as what the state infrastructure bank is willing to provide.

Mayor Kuchta thanked Mr. Kostandaras for everything he has done and continues to do for Macedonia as well as for all the communities he represents in District 1.

RECESS, 9:15pm - 9:20pm Upon returning from recess, Mr. Barker **offered ORD. NO. 16-2008: AN EMERGENCY ORDINANCE AUTHORIZING THE MAYOR TO MAKE APPLICATION FOR AND TO COMPLETE ALL NECESSARY DOCUMENTS TO BORROW A SUM NOT TO EXCEED 3 MILLION DOLLARS FROM THE OHIO DEPARTMENT OF TRANSPORTATION, INFRASTRUCTURE BANK TO PAY FOR CONSTRUCTION, IMPROVEMENTS AND SERVICES RELATED TO THE STATE** and moved Council to waive the requirement that it be read by title on three different days, instructing the Clerk to read it by **title only for all three readings**. Second by Mrs. Tulley.

Roll call: Ayes: Barker, Engle, Martin, Molnar, Tulley
Nays: Spraggins
The motion carried

Mr. Barker moved, Mrs. Tulley seconded, to **adopt ORD. NO. 16-2008**, and post same according to law.

Roll call: Ayes: Barker, Martin, Molnar, Tulley
Nays: Engle, Spraggins
The motion carried, **ORD. NO. 16-2008 adopted**

Relative to Ordinance No. 16-2008, Mr. Molnar had asked Mr. Brunot, in his opinion, under the worst case scenario can the City afford this project to which Mr. Brunot answered cautiously a worst case cannot never be predicted but under the plans described, yes, the City can afford he said.

Councilor Spraggins asked Mayor Kuchta to arrange for Eric Czetli to attend the February 19 finance since SR82 has a major impact on Macedonia's finances. Mr. Brunot was asked to provide the various debt payment plans/schedules he described earlier.

Mayor Kuchta suggested Mrs. Spraggins call Mr. Czetli since as the Mayor reminded Mrs. Spraggins, the mayor was told by Mr. Czetli that ODOT officials do not get involved in local politics.

Councilor Tulley reminded Mrs. Spraggins that the department heads who did not have an opportunity to address Council on February 7 regarding their budgets were going to make their presentations on the 19th. Inviting Mr. Czetli changes the original purpose of the meeting she said. If Council determines to hold capital purchases and new hires in abeyance as has been discussed, then department heads should be given the opportunity to explain how Council's choices will impact their departments. Mrs. Tulley suggested that a separate meeting be scheduled with Mr. Czetli.

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Councilor Engle thought primary discussion on February 19 should be reserved to SR82.

Councilor Barker suggested that another finance meeting be held on the 21st because of the volume of information that has to be discussed: SR82 and 2008 operating and capital needs.

Councilor Tulley stated she doesn't understand the value of Mr. Czetli's attending a meeting. He'll simply identify project costs and maybe explain how these costs were obtained but he won't tell the City how the project should be paid for, he won't develop a payment plan for the City.

MOTIONS OR OTHER LEGISLATIVE ACTIONS:

~ Mr. Barker moved, Mrs. Tulley seconded, to authorize the Finance Director to accept on behalf of the Macedonia Police Department a donation in the amount of One Hundred Dollars (\$100) from Elsie Dudy.

Roll call: Ayes: Barker, Engle, Martin, Molnar, Spraggins, Tulley
Nays: None
The motion carried

CORRESPONDENCE: None

PUBLIC COMMENTS: Joe Finley of Akron and former two term member of Akron City Council announced his candidacy for the position of Summit County Executive relative on the Democratic Primary.

MAYOR'S REPORT: Attached. (End of this document)

COMMITTEE REPORTS

Planning Commission Mr. Martin reported that Planning's next meeting is February 25 at 5:30pm. The meeting of the 11th was canceled for lack of agenda items he added.

Finance Committee Mrs. Spraggins announced the next finance meeting will be held February 19 at 7pm. Council will hear from the remaining departments heads who have not given their reports. Mrs. Spraggins said she'll call Mr. Czetli and ask him to attend that meeting. If he cannot attend he'll be invited to the regular meeting on the 28th she added.

DSCC Mrs. Tulley announced that the Committee will be meeting Wednesday, February 20 at 7pm and then again on March 5. The Committee continues to look for funding to pay for the projects that will alleviate some of Macedonia's water problems. Mrs. Tulley commended the members of the DSCC as she has in the past for their hard work, dedication and professionalism. Mrs. Tulley mentioned that the Brandywine Watershed Partnership will meet in Macedonia Council Caucus on March 11 at 3:30pm.

Western Reserve Consortium Mrs. Tulley announced that Time Warner's realignment of channels becomes effective in March. The consortium has asked Time Warner to schedule a town hall meeting to allow subscribers to opportunity vent their cable issues, which have been many Mrs. Tulley added. Mrs. Tulley stated she has no first hand knowledge whether Time Warner is looking for a buyer as was reported in a recent Plain Dealer article.

DEPARTMENT REPORTS

Service Department Mr. Crevar reported that service crews have concentrated on snow removal, maintenance of snow removal equipment, patching pot holes as well as performing some interior maintenance. Thus far this year Mr. Crevar reported that 3,930 tons of road salt has been used at a cost of \$145,000. Last year at this time a little over 4,300 tons was used at a cost of \$155,000. He reported that the park crew is pruning the street trees on Firestone, Eaton, Bishop and Long Drive.

Building Department Mr. Tufts was present. Report attached at end of this document.

Council President Engle asked Mr. Tufts if there has been a change in the bridge design to which Mr. Tufts answered no. Mr. Tufts explained however that Mr. Beasley, the new director of ODOT had asked that the bridge's design be reevaluated because he thought there was a less expensive way to build it. The redesign was abandoned Mr. Tufts stated once Mr. Beasley learned any cost savings would be offset by inflationary increases.

Recreation Department Ms. Gmerek reported that new session that begins February 25 includes land and water fitness classes. Ms. Gmerek announced that registration for Spring Youth Soccer for boys and girls ages 4-14 are being accepted through February 17. Registrations are also being accepted for a new

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coed Youth Dodgeball League for children grades 4-6. This program will run on Monday evenings from April 7-May 12.

Finance Department Mr. Brunot thanked Council for adopting Ordinance No. 16-2008. The SR82 project is a perfect example of national, state and local enterprise and cooperation he stated. This project and all it entails is the type of subject he included in his teaching program when he taught American National classes at Akron University and John Carroll University he added. Regarding another matter Mr. Brunot mentioned that this evening he distributed to Council a Resolution of Necessity relative to S. Freeway assessment project in anticipation that the resolution will be on Council's next agenda.

Fire Department Chief Black thanked the mayor and Council for the final appointment of Joe Natali who replaced Firefighter Pat Conroy.

Police Department Chief Golden had no report

Law Department Mr. Diemert had no report.

Unfinished business None

New business: The mayor announced the legislation relative to the replacement to Patty Kurcsak's position of payroll and personnel administrator will be on Council's next agenda.

EXECUTIVE SESSION

At 9:55pm, Mr. Engle moved, Mrs. Tulley seconded to adjourn into Executive Session for the purpose of discussing pending litigation and Personnel

**Roll call: Ayes: Barker, Engle, Martin, Molnar, Spraggins, Tulley
Nays: None
The motion carried**

At 10:35pm, Council reconvened into their regular meeting and there being no further business before Council, the meeting adjourned

Mayor's Report

February 14, 2008

Happy Valentine's Day

We have many Macedonia residents that serve in our Armed Forces. I am asking for their names so that we can pay tribute to them. Please stop by City Hall, or call our front desk at 330-468-8300 and give our receptionist the information. We have not decided exactly how to post this tribute yet and a lot will depend on what the total number is. It could be the posting of little flags, or possibly little yellow ribbons with their names, but it is time that we do something to recognize them and what they are doing for the rest of us.

Cable 9 has posted the dates for viewing the Finance meeting held on Thursday February 7, 2008. During the month of February it will be aired on Cable 9 on Tuesday evening at 8pm start on the 12th. It will also be aired on Wednesday's at 3:30pm and Saturdays at 4pm.

I would like to commend our Service Department for the good job they have been doing keeping our streets plowed and salted. I receive emails and calls about our streets being in good shape constantly. Good job guys.

Our Fire Regionalization meeting set for this last Tuesday was cancelled because of the winter storm.

I would once again encourage everyone to subscribe to our Macedonia Messenger by going to our web page. Our Web Page keeps growing and the amount of hits on it each year have increased exponentially. In order to attempt to quench the thirst for knowledge about our town, we are constantly trying to increase the amount of information that can be accessed. There is information there from soup to nuts, or storm water to road construction or codified ordinances (our laws). Try it. You'll like it.

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As Safety Director of Macedonia, I will be attending Sheriff Drew Alexander's Command Stat review session on February 19th. This is an internal review process used to improve operational efficiency and professionalism. As always, it is best for me to be appraised of what transpires in Summit County, and if there are better ways to do things It is best for me to know that. More or less it is "teaching an old dog to do new tricks".

The total revenue for Mayor's Court for the month of January was \$42,174.00

**CITY OF MACEDONIA
MEMORANDUM**

Building/Engineering/Zoning Department
(330) 468-8360 Fax: (330) 468-8396

FROM: Fred Tufts, P. E., City Engineer

SUBJECT: Engineer's Report for the 2-14-08 Council Meeting

Major Infrastructure Projects:

1. **SR 82 Widening, Phase 2:** The Fiber optic relocation work within the Norfolk Southern right-of-way continues. The contract remains on schedule for letting March 5, 2008. Currently 17 prime contractors and 31 sub-contractors have taken out bid packages.
2. **South Freeway Drive:** Moving forward on this important project requires a decision on the funding parameters. If the project is to be partially financed through assessments, the process requires a Council resolution of necessity which has been prepared and distributed.

Building Department:

We are in receipt of a re-submittal for the proposed Chick-Fil-A on Golden Link Blvd. Also, several plans are in process for new businesses in existing vacant spaces throughout the City.

cc: Mayor Don Kuchta

FNT/mtm